



FISCAL MEMORANDUM

HB 2434 - SB 2850

March 14, 2022

SUMMARY OF BILL AS AMENDED (015712): Creates the *Residential Amenities Sharing Act*, which bans local governing bodies from prohibiting the use of a property as a residential amenities sharing unit, unless the unit has been in violation of a generally applicable local law. Allows local governing bodies to regulate residential amenities sharing unit providers by requiring registration, an annual fee, liability insurance, and the enforcement of generally applicable local laws and bylaws. Allows for a local governing body to maintain a website that lists addresses of each residential amenities sharing unit. States that pools on the property of residential amenities sharing units are not subject to the *Hotel and Public Swimming Pool Inspection Act*. Specifies this legislation does not apply to property under the *Short-Term Rental Unit Act*, a local governing body regulation of the rental of residential property other than short-term rental units that was in effect before the effective date of this act, or contracts or agreements between or among individuals or private entities related to the use of or restrictions upon real property.

FISCAL IMPACT OF BILL AS AMENDED:

NOT SIGNIFICANT

Assumptions for the bill as amended:

- Pursuant to the proposed legislation, residential amenities sharing unit means a property or residential dwelling that is a provider's primary or secondary residence that is rented for a fee for a period less than 15 hours and does not provide sleeping accommodations to transients.
- Currently, it does not appear to be any local governing bodies prohibits residential amenities sharing units.
- The proposed legislation allows for an annual fee of no more than \$50 per residential amenities sharing unit. This fee is to be set and collected by a local governing body.
- It is not known how many residential amenities sharing units exist across Tennessee, but it is assumed to be minimal; therefore, the permissive increase in local government revenue will be not significant.
- The regulations set forth in the proposed legislation can be adequately monitored and carried out within existing resources and personnel.
- Limiting the property impacted by this legislation to exclude those as specified under this act will not result in a significant fiscal impact to state or local government.

IMPACT TO COMMERCE OF BILL AS AMENDED:

NOT SIGNIFICANT

Assumption for the bill as amended:

- The proposed legislation allows for an annual fee of no more than \$50 per residential amenities sharing unit. This fee is to be set and collected by a local governing body.
- It is not known how many residential amenities sharing units exist across Tennessee, but it is assumed to be minimal; therefore, the increase expenditures to residential amenities sharing unit owners will be not significant.
- The number of residential amenities sharing units that would be prohibited from operating by local governments in the future is unknown but assumed to be minimal. Therefore, any overall impact on jobs and commerce in this state is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/cd